



Australian Government

Department of Education, Employment and Workplace Relations

SIRXGLC401 Monitor compliance with legislative requirements for the establishment of a retail business

Release: 1

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Modification History

The version details of this endorsed unit are in the table below. The latest information is at the top.

Release	Comments
First Release	This is a revised unit, based on and equivalent to SIRXGLC001A Monitor compliance with legal and legislative requirements affecting business operations.

Unit Descriptor

This unit describes the performance outcomes, skills and knowledge required to investigate and comply with the legal and administrative requirements for establishing a retail business.

The unit covers identifying and understanding relevant legislation, establishing a legal structure for a business, complying with statutory requirements, minimising risks, and securing rights to products and services.

Application of the Unit

This unit applies to senior managers and business owners in the retail environment.

Licensing/Regulatory Information

Licensing, legislative and regulatory requirements apply to the legal establishment of a business at the time of endorsement. Checks should be made of current requirements within the relevant state or territory.

Pre-Requisites

Nil

Employability Skills Information

This unit contains employability skills.

Elements and Performance Criteria Pre-Content

Elements and Performance Criteria

Element

Performance Criteria

Elements describe the essential outcomes of a unit of competency.

Performance criteria describe the performance needed to demonstrate achievement of the element. Where bold italicised text is used, further information is detailed in the required skills and knowledge section and the range statement. Assessment of performance is to be consistent with the evidence guide.

1. Determine legal structure of the business.

- 1.1. Examine legal options for the most suitable type of **business structure**.
- 1.2. Investigate legal rights and responsibilities of the business to ensure business is adequately protected under **legal and legislative provisions**.
- 1.3. Confer with relevant business partners, business principles, franchisors and funders to inform final decision regarding business structure.
- 1.4. Seek legal and accounting expertise as required to inform final decision regarding business structure.
- 1.5. Compile and prepare documentation for lodgement to register the business entity with appropriate corporate regulator according to business owner's wishes.

2. Monitor compliance with statutory and regulatory requirements.

- 2.1. Confirm **statutory and regulatory requirements** affecting the operations of the business and take appropriate steps to ensure full compliance.
- 2.2. Determine **insurance requirements** and acquire adequate cover to ensure risk minimisation.
- 2.3. Monitor the establishment and performance of contracts to ensure compliance and the fulfilment of **rights and obligations**.
- 2.4. Maintain and update legal documents and relevant **records** according to security and access requirements.

3. Secure rights to products and services.

- 3.1. Secure **information** on purchase rights to products and services and ensure full understanding of their implications.
- 3.2. Establish cost of procurement rights to products and services, including ongoing financial planning.
- 3.3. Confirm rights and responsibilities applying to the use of products and services from the wholesaler to ensure accurate information is communicated to customers.
- 3.4. Determine **brand** ownership and protection rights.
- 3.5. Secure contractual procurement rights to provide optimal conditions for procurement of products and services.

Required Skills and Knowledge

This section describes the skills and knowledge required for this unit.

Required skills

- literacy and numeracy skills to:
 - determine the costs and consequences of non-compliance with key legal obligations and requirements affecting wholesale transactions
 - interpret basic documents of a statutory, legal and contractual nature within a business context
 - record, store and transfer information
- planning and organising skills to research, plan, analyse and organise information

Required knowledge

- business policy and procedures affecting job role or function
- community and consumer representative groups
- concepts of ownership of products, concepts, technology and ideas
- confidentiality and security requirements
- financial reporting and accounting
- information sources on product and supply arrangements for customers
- key regulatory organisations and bodies
- legal rights and responsibilities of different business structures
- legal structures of businesses
- relevant legislation and statutory requirements, including:
 - industry codes of practice
 - work health and safety (WHS)
 - Australian consumer law
- service and consumer rights and business obligations
- sources of legal and technical expertise and advice
- statutory and approval processes

Evidence Guide

The evidence guide provides advice on assessment and must be read in conjunction with the performance criteria, required skills and knowledge, range statement and the Assessment Guidelines for the Training Package.

Critical aspects for assessment and evidence required to demonstrate competency in this unit

Evidence of the following is essential:

- identifies, analyses and describes a range of basic business structures
- accesses and interprets a range of relevant legal and technical advice on operational matters
- determines and formally details the compliance of existing business operations with legal and legislative requirements
- confirms and describes the rights of consumers, covering a range of service and product delivery scenarios for a business
- uses relevant legal and statutory rights to protect the business brand and intellectual property.

Context of and specific resources for assessment

Assessment must ensure access to:

- a retail work environment
- relevant documentation, such as:
 - legislation and statutory requirements
 - information on the internal and external operating environment
 - business policy and procedures manuals
- information on:
 - business operations
 - markets
 - competitors
 - products and services
 - suppliers.

Method of assessment

A range of assessment methods should be used to assess practical skills and knowledge. The following examples are appropriate for this unit:

- observation of performance in the workplace
- third-party reports from a supervisor
- review of portfolios of evidence
- written or verbal questioning to assess knowledge and understanding.

Guidance information for assessment

Holistic assessment with other units relevant to the industry sector, workplace and job role is recommended.

Range Statement

The range statement relates to the unit of competency as a whole. It allows for different work environments and situations that may affect performance. Bold italicised wording, if used in the performance criteria, is detailed below. Essential operating conditions that may be present with training and assessment (depending on the work situation, needs of the individual, accessibility of the item, and local industry and regional contexts) may also be included.

Business structure:

- may vary according to:
 - confidentiality considerations
 - franchise arrangements and structures
 - preferences of owners
 - requirements of funding bodies
 - superannuation considerations
 - taxation considerations
- may be established as a:
 - incorporated company
 - partnership
 - sole trader (also known as a 'single proprietor')
 - trust.

Legal and legislative provisions may include:

- Australian Competition and Consumer Commission provisions
- contract law
- emergency procedures
- environmental protection legislation
- equal employment opportunity (EEO) and anti-discrimination law
- franchise agreements
- industry codes of practice
- licence, patent or copyright arrangements
- WHS
- taxation law, including registration for the GST
- Australian consumer law and fair trading Acts
- transport, storage and handling of goods
- workers' compensation
- workplace relations.

Statutory and regulatory requirements may vary in relation to:

- business merchandise range
- characteristics of specific products or services
- size, type and location of business
- types of products and services provided
- varying levels of staff training
- worksite specific context, variations and environments.

- Insurance requirements** vary according to:
- intended use of products or services
 - location of market and business
 - types of products and services provided.
- Rights and obligations** may be determined by consulting internal or external experts in areas, such as:
- economics
 - finance and accounting
 - insurance
 - law
 - probity
 - technical and scientific
 - trade.
- Records** may be:
- electronic
 - manual.
- Sources of **information** may be:
- direct or indirect
 - electronic or hard copy
 - feedback
 - non-verbal communication
 - verbal communication, including:
 - face-to-face
 - radio
 - telephone
 - written instructions and communication, such as:
 - data exchange
 - emails
 - letters.
- Brand** may encompass:
- company brands
 - intellectual property
 - product brands
 - registered brands
 - registered trademarks
 - supplier brands.

Unit Sector(s)

Cross-Sector

Competency Field

Governance and Legal Compliance